



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

July 18, 2016

HOWARD M. HEADLEE, TREASURER  
FRIENDS OF TRADITIONAL BANKING  
INC  
175 S MAIN STREET  
SUITE 1420  
SALT LAKE CITY, UT 84111

**Response Due Date**  
**08/22/2016**

IDENTIFICATION NUMBER: C00517276

REFERENCE: OCTOBER QUARTERLY REPORT (07/01/2015 - 09/30/2015)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 5 item(s):

1. The beginning cash balance of this report does not equal the ending balance of your July Quarterly Report (4/1/15-6/30/15). Please correct this discrepancy and amend all subsequent reports that may be affected by the correction. (52 U.S.C. §30104(b) (formerly 2 U.S.C. § 434(b)(1)))
2. Line 6(a) of the Summary Page represents the total cash on hand as of January 1, 2015. This figure should be the same on all the reports covering the calendar year. Please amend your report to clarify the change made in Line 6(a). (52 U.S.C. §30104(b)(1) (formerly 2 U.S.C. § 434(b)(1)) and 11 CFR §104.3(a)(1))
3. The totals listed on Lines 6(c), 7, 11a(i), 11a(ii), 11a(iii), 11(d), 19, 20, 21(a) (ii), 21(c), and 31, Column B of the Summary and Detailed Summary Pages appear to be incorrect. Column B figures for the Summary and Detailed Summary Pages should equal the sum of the Column B figures on your previous report and the Column A figures on this report. Please file an amendment to your report to correct the Column B discrepancies for this report and all subsequent report(s) which may be affected by this correction. Note that Column B should reflect only the Calendar Year-to-Date totals. (52 U.S.C. §30104(b) (formerly 2 U.S.C. § 434(b)))

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4. On Schedule H4, your allocated activity or event year-to-date total calculations for the Administrative category are incorrect. Allocated activity or event year-to-date totals for administrative, voter drive, exempt activity costs and expenses for public communications made by PACs referencing only political parties are derived by aggregating all disbursements during the calendar year for each separate category. Allocated activity or event year-to-date totals for fundraising and direct candidate support activities are derived by aggregating all disbursements during the calendar year within a specific event. These should be calculated by adding the latest disbursement for a category or event to the previous event year-to-date total for that category or event. This running event year-to-date total should be disclosed after each disbursement is listed. Please amend your report by providing the correct event year-to-date totals. (11 CFR §§104.10(b)(2) and 104.17(b)(1)(ii))

5. Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule H4 to clarify the following description(s): "Consulting Fee" and "Consulting Services." (11 CFR §§104.3(b)(3) and 104.10(a)(4))

Additional clarification regarding inadequate purposes of disbursement published in the Federal Register can be found at: [http://www.fec.gov/law/policy/purposeofdisbursement/inadequate\\_purpose\\_list\\_3507.pdf](http://www.fec.gov/law/policy/purposeofdisbursement/inadequate_purpose_list_3507.pdf)

- For your information and consideration when preparing future filings, Schedule H4 discloses activity which is paid for with 100% nonfederal funds. For future filings, please be advised that any activity which is financed entirely by the nonfederal account (including administrative expenses), should be not be listed on the report. (11 CFR §§104.10 and 104.17) For your next filing, please refer to the instructions for each line when determining the proper categorization(s).

**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

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Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1185.

Sincerely,

A handwritten signature in black ink that reads "Samantha Hay". The script is cursive and fluid, with the first name "Samantha" being larger and more prominent than the last name "Hay".

Samantha Hay  
Campaign Finance Analyst  
Reports Analysis Division